



FINANCIAL ACCOUNTABILITY PLAN TEMPLATE
INSTITUTION NAME
MONTH, 2010

INTRODUCTION/RATIONALE

Senate Bill 10-03 grants Colorado institutions of higher education greater flexibility in setting tuition, while ensuring that institutions provide protection for low and middle income students.

Beginning in FY 2011-2012, those governing boards seeking increased flexibility are asked to submit five-year financial accountability plans (FAPs) to the Colorado Commission on Higher Education (CCHE) for review and approval.

SB 03 requires that institutional governing boards, at a minimum, include the following in the FAP:

- A. The percentage of the requested tuition increase(s);
- B. Evidence that access and affordability for enrollment of low and middle income students will be preserved, taking into account the availability of federal, state, institutional, and private monies;
- C. Measures the institution will take to reduce student debt load, including amount of need-based financial assistance;
- D. How the institution will address the needs of underserved and underrepresented students;
- E. Assurance that operational flexibility measures will not reduce the level of service and quality

Following submission of a FAP, the CCHE will have 90 days to review and either approve or deny the governing board's request for a tuition increase. In approving the plan, the CCHE may approve the request for two years and make the approval for the subsequent three years conditional on the governing board's success in implementing the plan. If a plan is denied, the governing board may submit an alternative plan to the CCHE in accordance with the adopted timelines. Once approved, FAPs become part of the CCHE annual budget recommendation to the Joint Budget Committee.

KEY DATES

- Final agreement on FAP template- June 23, 2010
- Governing Board Submission of FAPs to CCHE- July 1-August 18, 2010
- Governing Board meetings with CCHE/Department of Higher Education - August 25-September 24, 2010
- Final recommendations by CCHE will be submitted to the Joint Budget Committee and Governor's office by October 21, 2010

ASSUMPTIONS

1. FY 2005-2009 institutional data are utilized in this template for the purposes of establishing baseline metrics. The CCHE will update metrics annually.
2. Data sources used to establish baseline data include Student Unit Record Data System (SURDS) and Budget Data Book (BDB).

3. The CCHE has established key dates to comply with SB 10-03 statutory requirements
4. Governing boards will address agreed upon common metrics outlined in this template but may also provide additional data and narrative to support strategies employed by their institution(s) to ensure accessibility and affordability for low and middle income students during the period outlined in the FAP.

SECTION I: REQUESTED TUITION INCREASE

Please detail the governing board/institution tuition increase table below. Include (based on five-year projections):

- *Year-to-year \$ amount/ percent increase per credit hour for resident students*
- *differential tuition amounts (if applicable)*
- *net expected revenue projections*

SECTION II: PROTECTION OF LOW AND MIDDLE INCOME STUDENTS

METRIC UTILIZED- five-year Pell distribution (by institution), by level, for Colorado resident, undergraduate students with >6CH and FAFSA on file (source: SURDS Financial Aid File, 2005 through 2009). EFC limits: Level 1 (150% Pell); Level 2 (200% Pell); Level 3(>200% of Pell)

{INSERT GRAPH HERE- 5 YEAR DISTRIBUTION WITH AVERAGE CALCULATED}

Describe the institutional/governing board strategies to ensure that current levels of low and middle income students remain consistent over the next five years (address availability of federal, state, institutional, and private monies):

SECTION III: STUDENT DEBT LOAD

METRIC UTILIZED-

{INSERT GRAPH HERE- 5 YEAR DISTRIBUTION WITH AVERAGE CALCULATED}

Describe the institutional/governing board strategies to ensure that student debt load is minimized:

SECTION IV: ADDRESS THE NEEDS OF UNDERSERVED & UNDERREPRESENTED STUDENTS

METRIC UTILIZED-

TBD

{INSERT GRAPH HERE- 5 YEAR DISTRIBUTION WITH AVERAGE CALCULATED}

SECTION V: OPERATIONAL FLEXIBILITY

Describe how the institution/governing board will utilize institutional flexibility to maximize operations, maintain quality, increase efficiencies and create cost savings:

EXAMPLE- University of Texas System

SECTION I: TUITION AND FEE PROPOSAL DEVELOPMENT

Describe the consultative process used to develop the tuition and fee proposal. Include information on advisory committee meetings and public hearings held on campus to discuss the tuition plan. Provide the names and affiliations of tuition advisory committee members.

SECTION II: COST SAVING INITIATIVES

Universities must include in their proposal a discussion of campus initiatives to reduce their operating costs. In addition to any new initiatives, include a discussion of ongoing efforts to limit expenditures.

SECTION III: FINANCIAL AID

Describe the financial aid available to students to mitigate the impact of any increase in tuition and fees. Discuss the additional aid that will be generated from increased designated tuition and how will it be spent.

SECTION IV: TUITION INNOVATIONS

Describe any current or proposed innovative tuition and fee policies that are included in the tuition and fee proposal, such as flat rate tuition, tuition rebates, tuition discounts or guaranteed tuition plans. If any of the strategies are currently being used, discuss the impact that they are having on student behavior.

SECTION V: USES OF DESIGNATED TUITION TO ACHIEVE STRATEGIC GOALS AND SUSTAIN INSTITUTIONAL QUALITY

In this section, discuss how increased designated tuition will allow the university to sustain institutional quality, make much-needed improvements and achieve strategic goals, such as increased enrollment and graduation rates, increased financial aid resources, more efficient use of facilities, and higher quality of academic programs and student services. If additional faculty and/or staff will be hired, provide information on the number of additional faculty and/or staff and how they will be employed on campus.

SECTION VI: SUMMARY OF PROPOSAL'S IMPACT ON TOTAL ACADEMIC COSTS

The total academic cost for a resident undergraduate student taking 15 semester credit hours is used as a benchmark in evaluating the tuition and fee proposal. Below are the data for estimated total academic costs in fall 2009 at your institution as reported to the House Higher Education Committee Board in July. Please verify and correct, if needed, the figures below and enter the actual information for fall 2009 and estimated total academic costs for fall 2010 and fall 2011 based on the tuition and fee proposal. Total estimated academic costs for fall 2010 and fall 2011 should reflect the sum of all tuition and mandatory fee charges (including average course and program fees) listed in Section IV.

Because some institutions charge different rates to resident undergraduate students or offer guaranteed tuition plans where undergraduates pay different rates depending upon whether or not they participate in the plan, a weighted average total academic cost figure must be provided below in order to evaluate the overall impact of the proposal on resident undergraduate students.

Note: In keeping with House Concurrent Resolution 288, 81st Texas Legislature, the annual increase in average total academic costs should be limited to the greater of: (1) 3.95%, or (2) \$140 per semester in each year of the tuition and fee plan. The limit applies to resident undergraduate students taking 15 semester credit hours. While the percentage increases at lower credit hour levels may be slightly higher than the 3.95% limit, the weighted average increase for all full-time resident undergraduate students must remain within the 3.95% (or \$140) limit.

Table here: institutionally specific table...

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Key components of Institution Flexibility Plans

1. Calendar/ definition of terms/instructions (DHE)
2. Policy/statute justification for flexibility plans (DHE)
3. Assumptions/metrics to be used (accepted by CFO/CCHE/DHE)
 - a. Protection of low/middle income students
 - b. Other data points TBA
4. Stated tuition increases/justification (institution)
5. Financial modeling based on allocation formulas (institution)
6. 50% plan (?)
7. Governing board voting/ constituent feedback processes (institution)
8. Operational flexibility request- efficiencies/savings created (institution)
9. Financial aid packaging policies/timeframe
10. Review tracking form (DHE)

CCHE Allocation Principles Draft

1. Intended to be a temporary allocation model
2. Need to take into consideration ability to benefit from flexibility
3. Allocation should preserve “status quo”
4. Should use a system (state) wide approach to allocation

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Flexibility Implementation Process
May 20, 2010
October Deadline (Draft)

Milestone	Tasks	Timeframe
CCHE Special Meeting	<ul style="list-style-type: none"> • Adopt Start Date for Flex Plans; Set special meeting dates (2nd half of June, 2nd half of October) • Preview of timeline/implementation process • Agree on general principles of allocation model 	5/20-21
CFO/ Institution Meeting	<ul style="list-style-type: none"> • Agreement on general metrics and assumptions of template 	5/24/10
CCHE Regular Meeting	<ul style="list-style-type: none"> • Present potential allocation formulas • Select subcommittee for institutional plan reviews 	6/3/10
CFO/Institution Meeting	<ul style="list-style-type: none"> • Model out allocation scenarios 	6/3/10-6/18/10
CCHE Special Meeting	<ul style="list-style-type: none"> • Adopt formula/ policy for flexibility plans 	6/17/10
OSBP figure estimates		6/22/10
DHE disseminate template/instructions		6/23/10
Institution Submission of Plans		7/1/10-8/18/10
Analysis/Negotiation- Institutional Meetings	<ul style="list-style-type: none"> • Discuss problem areas with CCHE subcommittee 	8/25/10-9/24/10
CCHE Submission of recommendations		10/7/10
Adoption of recommendations by CCHE-Special Meeting		10/21/10-10/28/10

Flexibility Implementation Process
May 20, 2010
(Draft)
April 7 Submission Deadline

Milestone	Tasks	Timeframe
CCHE Special Meeting	<ul style="list-style-type: none"> Adopt Start Date for Flex Plans; Set special meeting dates (2nd half of June, 2nd half of October) Preview of timeline/implementation process Agree on general principles of allocation model 	5/20-21
CFO/ Institution Meeting	<ul style="list-style-type: none"> Agreement on general metrics and assumptions of template 	5/24/10
CCHE Regular Meeting	<ul style="list-style-type: none"> Present potential allocation formulas Select subcommittee for institutional plan reviews 	6/3/10
CFO/Institution Meeting	<ul style="list-style-type: none"> Model out allocation scenarios 	6/3/10-6/18/10
CCHE Regular Meeting	<ul style="list-style-type: none"> Continue with allocation formulas Adopt formula/ policy for flexibility plans 	7/8/10
CCHE August Retreat		TBA
CCHE Regular Meeting		9/9/10
CCHE Regular Meeting		10/7/10
CCHE Regular Meeting		11/4/10
CCHE Regular Meeting		12/2/10
OSBP figure estimates		??
DHE disseminate template/instructions		12/6/10
Institution Submission of Plans		12/9/10- 1/3/11
CCHE Regular Meeting		1/6/11 *
Analysis/Negotiation- Institutional Meetings	<ul style="list-style-type: none"> Discuss problem areas with CCHE subcommittee 	1/20/11-2/24/11
CCHE Regular Meeting		2/3/11 *
CCHE Regular Meeting	Discussion of recommendations	3/10/11 *
CCHE Regular Meeting	Adoption of recommendations	4/7/11 *

*approximate dates: not formally announced or scheduled

Flexibility Implementation Process
May 20, 2010
(Draft)
Feb 3 Submission Deadline

Milestone	Tasks	Timeframe
CCHE Special Meeting	<ul style="list-style-type: none"> • Adopt Start Date for Flex Plans; Set special meeting dates (2nd half of June, 2nd half of October) • Preview of timeline/implementation process • Agree on general principles of allocation model 	5/20-21
CFO/ Institution Meeting	<ul style="list-style-type: none"> • Agreement on general metrics and assumptions of template 	5/24/10
CCHE Regular Meeting	<ul style="list-style-type: none"> • Present potential allocation formulas • Select subcommittee for institutional plan reviews 	6/3/10
CFO/Institution Meeting	<ul style="list-style-type: none"> • Model out allocation scenarios 	6/3/10-6/18/10
CCHE Regular Meeting	<ul style="list-style-type: none"> • Continue with allocation formulas • Adopt formula/ policy for flexibility plans 	7/8/10
CCHE August Retreat		TBA
CCHE Regular Meeting		9/9/10
CCHE Regular Meeting		10/7/10
OSBP figure estimates		
DHE disseminate template/instructions		10/25/10
Institution Submission of Plans		11/4/10- 12/3/10
CCHE Regular Meeting		11/4/10
Analysis/Negotiation- Institutional Meetings	<ul style="list-style-type: none"> • Discuss problem areas with CCHE subcommittee 	12/3/10-1/6/11 (note- Holidays)
CCHE discussion of recommendations		1/6/11 (note- Gubernatorial shift)
Adoption of recommendations by CCHE		2/3/10 *